GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2682
ANSWERED ON:17.03.2006
CLOSURE OF ADB/WORLD BANK LOAN
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government is contemplating closure of Asian Development Bank and World Bank loans for road projects that are yet to take off;

(b) if so, the details thereof, projectwise; and

(c) the steps taken to simply the existing cumbersome procedure?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a): No Sir.

(b): Does not arise.

(c): Simplification of procedures is an ongoing process. Following initiatives have been proposed/adopted in case of Asian Development Bank (ADB) loan projects:

(i) The ADB has offered a Multi-Tranche Financing Facility with effect from December, 2005 wherein commitment charges will be linked to annual draw-down schedules. This should result in a reduction in the overall cost of the loans if implementation is on schedule.
(ii) Delegating more power to the local Resident Mission for quickening the approval.
(iii) Loan signing is being done in Delhi as against Manila as was the practice earlier.
(iv)Tripartite Review Meetings are conducted on quarterly basis to identify and for the redressal of the issues both project specific and policy specific, for improving the project implementation.